

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: May 21, 2015

TO: Pamela H. Page, Senior Attorney, Office of the General Counsel

FROM: Beth W. Salak, Director, Office of Telecommunications
Robert J. Casey, Public Utilities Supervisor, Office of Telecommunications
Curtis J. Williams, Public Utility Analyst IV, Office of Telecommunications

RE: Docket 140029-TP, Request for submission of proposals for relay service, beginning in June 2015, for the deaf, hard of hearing, deaf/blind, or speech impaired, and other implementation matters in compliance with the Florida Telecommunications Access System Act of 1991.

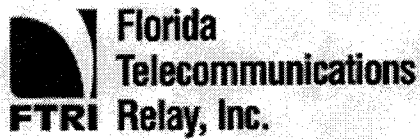
PSC-15-0200-PAA-TP, issued May 18, 2015, directed FTRI to reduce its 2015-2016 proposed budget by \$164,284. On May 20, 2015, FTRI submitted their revised proposed budget (Attachment A).

The Commission Order also granted staff administrative authority to approve the resubmitted budget as long as the budget adheres to the guidelines in this order. Staff has reviewed the revised budget and believes it is in accordance with the Commission decision. FTRI reduced its 2015-2016 proposed budget by \$164,284 as required.

Please issue an Administrative Order in Docket No. 140029-TP reflecting FTRI's 2015-2016 budget indicating staff reviewed and approved the proposed budget in accordance with the Commission decision in Order No. PSC-15-0200-PAA-TP. Attachment B shows FTRI's original proposed budget compared to FTRI's revised budget which is in accordance with the Commission decision.

cc: Docket No. 140029-TP

RECEIVED-HPSC
15 MAY 21 PM 2:36
COMMISSION
CLERK



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May 20, 2015

Mr. Curtis Williams
Office of Telecommunications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0866

RE: FTRI Modified FY 2015/2016 Budget

Dear Mr. Williams:

I am pleased to forward a copy of FTRI's modified FY 2015/2016 budget that was approved by the Board of Directors.

The modified budget as approved by the Board projects total revenues at the current surcharge level of \$.12. Attachment A is the Income Statement that reflects the modified FY 2015/2016 budget.

FTRI staff and board reviewed the budget and made modifications to the categories to meet the Commission order as well as ensure that equipment and services will continue to be provided as projected. Listed below are the reductions per category:

- Category I – No reductions
- Category II – Reductions total \$18,503
- Category III – Reductions total \$73,928
- Category IV – Reductions total \$25,174
- Category V – Reductions total \$46,679

We appreciate the assistance of staff and look forward to further discussions so that we can ensure adequate and proper funding for TASA programs so the Citizens of Florida can continue to receive the benefits provided by TASA.

Should you have questions or desire additional information, please do not hesitate to email me at jforstall@ftri.org.

Sincerely,

A handwritten signature in black ink, appearing to read "James Forstall", is written over a printed name and title.

James Forstall
Executive Director

Enclosure

cc: FTRI Board of Directors

Florida Telecommunications Relay, Inc.
Fiscal Year 2015/2016 Budget @ .12 cents surcharge
Adjust per PSC
5-9-2015

	2014/2015 APPROVED BUDGET	2014/2015 ESTIMATED REV & EXPEND	2015/2016 PROPOSED BUDGET	VARIANCE 2014/2015 2015/2016
OPERATING REVENUE				
1	8,013,558	7,877,499	8,249,890	236,332
2	55,787	43,654	33,941	(21,846)
3	458,832	217,398	468,749	9,917
	TOTAL OPERATING REV	8,138,551	8,752,580	224,403
OTHER REVENUE/FUNDS				
4	15,765,879	15,470,951	15,722,595	(63,284)
	TOTAL REVENUE	23,809,502	24,475,175	161,119
OPERATING EXPENSES				
CATEGORY I - RELAY SERVICES				
5	3,464,351	3,489,539	3,971,499	507,148
	SUBTOTAL-CATEGORY I	3,464,351	3,971,499	507,148
CATEGORY II - EQUIPMENT & REPAIRS				
6	0	0	0	0
7	0	0	0	0
8	0	0	720	720
9	0	0	0	0
10	10,000	0	5,000	(5,000)
11	38,700	25,112	0	(38,700)
12	1,240,342	1,247,003	1,440,645	200,303
13	1,801	5,373	1,386	(415)
14	9,000	21,600	18,000	9,000
15	7,546	0	0	(7,546)
16	600	0	0	(600)
17	8,752	6,241	8,501	(3,251)
18	16,080	16,080	16,080	0
19	2,000	5,880	2,980	980
20	202,111	230,445	199,074	(3,037)
	SUBTOTAL-CATEGORY II	1,637,932	1,690,386	152,454
CATEGORY III - EQUIPMENT DISTRIBUTION & TRAINING				
21	84,742	71,141	74,314	(10,426)
22	932,347	936,058	978,423	46,076
23	0	0	0	0
24	1,000	936	2,000	1,000
	SUBTOTAL-CATEGORY III	1,018,089	1,054,737	36,648

Florida Telecommunications Relay, Inc.					
Fiscal Year 2015/2016 Budget @ .12 cents surcharge					
Adjust per PSC					
5-6-2015					
	2014/2015	2014/2015	2015/2016	VARIANCE	
	APPROVED	ESTIMATED	PROPOSED	2014/2015	
	BUDGET	REV & EXPEND	BUDGET	2015/2016	
CATEGORY IV - OUTREACH					
25	Outreach Expense	607,200	607,142	574,626	(32,574)
	SUBTOTAL-CATEGORY IV	607,200	607,142	574,626	(32,574)
CATEGORY V - GENERAL & ADMINISTRATIVE					
26	Advertising	4,905	1,310	2,641	(2,264)
27	Accounting/Auditing	28,336	24,974	24,896	(3,440)
28	Legal	72,000	72,000	72,000	0
29	Computer Consultation	18,660	16,957	23,970	5,260
30	Dues & Subscriptions	3,060	3,010	3,034	(26)
31	Office Furniture Purchase	500	0	250	(250)
32	Office Equipment Purchase	16,500	10,712	12,500	(6,000)
33	Office Equipment Lease	1,936	1,797	1,666	(49)
34	Insurance-Hlth/Life/Debty	209,578	168,537	158,262	(51,316)
35	Insurance-Other	9,292	8,446	8,697	(365)
36	Office Expense	17,014	15,958	16,524	(490)
37	Postage	12,527	9,844	9,917	(2,610)
38	Printing	1,860	1,525	1,537	(323)
39	Rent	91,184	91,653	91,280	96
40	Utilities	7,077	5,782	5,808	(1,289)
41	Retirement	66,925	60,137	58,575	(8,350)
42	Employee Compensation	496,750	432,073	408,471	(90,279)
43	Temporary Employment	6,000	1,600	6,000	0
44	Taxes - Payroll	35,156	33,056	32,507	(5,648)
45	Taxes - Unemplmt Comp	901	2,033	1,863	662
46	Taxes - Licenses	65	65	65	0
47	Telephone	19,138	17,016	18,670	(468)
48	Travel & Business	10,408	16,167	16,266	5,868
49	Equipment Maint.	1,348	1,342	1,353	4
50	Employee Training/Dev	7,000	5,300	7,000	0
51	Meeting Expense	3,149	5,687	5,733	2,584
52	Miscellaneous Expense	0	0	0	0
	SUBTOTAL-CATEGORY V	1,150,298	1,008,661	991,936	(155,363)
CATEGORY VI - NDBEDP					
53	NDBEDP - Expense	458,832	217,398	468,749	9,917
	SUBTOTAL-CATEGORY VI	458,832	217,398	468,749	9,917
	TOTAL EXPENSES	8,236,702	7,886,907	8,751,932	515,230
	REVENUE LESS EXPENSES	16,077,354	15,722,695	15,723,243	(354,111)

FTRI 2015-2016 Commission-Approved Budget

	FTRI Original Proposed Budget 2015-2016	FTRI Revised Budget per Commission Decision 2015-2016	Variance
Operating Revenue:			
Surcharges	\$ 7,562,400	\$8,249,890	\$687,490
Interest Income	33,293	33,941	648
NDBEDP¹	<u>468,749</u>	<u>468,749</u>	<u>0</u>
Total Operating Revenue	\$ 8,064,442	\$8,752,580	\$688,138
Other Revenue/Funds:			
Surplus Account	\$15,722,595	\$15,722,595	0
Total Revenue	23,787,037	24,475,175	\$688,138
Operating Expenses:			
CATEGORY I - Relay Provider Services	\$3,971,499	\$3,971,499	0
CATEGORY II - Equipment and Repairs	1,708,889	1,690,386	(\$18,503)
CATEGORY III - Equipment Distribution And Training	1,128,665	1,054,737	(\$73,928)
CATEGORY IV - Outreach	599,800	574,626	(\$25,174)
CATEGORY V - General & Administrative	1,038,614	991,935	(\$46,679)
CATEGORY VI - NDBEDP	<u>468,749</u>	<u>468,749</u>	<u>0</u>
Total Expenses	\$8,916,216	\$8,751,932	(\$164,284)
Annual Surplus	(851,774)	648	
Total Surplus	\$14,870,821	\$15,723,243	